
Reference No: CR-28-1991

A G E N D A I T E M S U M M A R Y

Draft No: 1

P r i n c e G e o r g e ' s

Meeting Date: 4/30/91

C o u n t y C o u n c i l

Requester: WSSC

Item Title: A Resolution concerning approval of Finance
Plan of WSSC for issuance of Refunding
Bonds in the principal amount of approx.
\$447,925,000

Sponsors C WI

Date Presented	___/___/___	Executive Action	___/___/___	___
Committee Referral	(1) 3/26/91	FP&GO	Effective Date	___/___/___
Committee Action	(1) 4/15/91	FAV		
Date Introduced	3/26/91			
Pub. Hearing Date	(1) ___/___/___	___:___		

Council Action (1) 4/30/91 Adopted
Council Votes CA: A_, B_: A_, C_: A_, D_: A_, F_: A_, MC: A_,
M_: A_, P_: A_, WI: A_, ___: ___, ___: ___, ___: ___

Pass/Fail P

Remarks _____

	Ralph E. Grutzmacher	Resource	Joseph T. Carrigan, Dir.
Drafter:	Legislative Officer	Personnel:	WSSC-Invstmts. & Funding

LEGISLATIVE HISTORY

Fiscal Policy & Government Operations
Committee Report

Date: April 15, 1991

Committee Vote: Favorable, 3-0 (In favor: Council Members Wineland,
Del Giudice and MacKinnon)

This resolution allows WSSC to refund the bonds listed on Attachment A of CR-28 by issuing \$447,925,000 in General Construction Refunding Bonds of 1991 and Sewage Disposal Refunding Bonds of 1991. According to Mr. Joseph Carrigan, Director WSSC - Investments & Funding Office the Commission will not proceed with the refinancing if a 2% present value savings will not be achieved. Each issue is handled separately. At the time this resolution was transmitted, the present value savings was \$16.6 million. The Office of Management and Budget is satisfied with WSSC's proposal.

BACKGROUND INFORMATION/FISCAL IMPACT

(Includes reason for proposal, as well as any unique statutory requirements)

By letter dated March 13, 1991, the Washington Suburban Sanitary Commission requested the County's approval of a plan to refinance \$447,925,000 in General Construction Bonds, Water Supply Bonds and Sewage Disposal Bonds issued in 1979, 1980, 1985, 1986, and 1987. The Commission intends to refund only the callable portions of these bonds.

The proposed refunding issues are structured to concentrate all of the savings in the early years of the debt service payments with no subsequent increase in debt service during the later years. WSSC is recommending the issuance of refunding bonds to refinance these bonds because under current market conditions the refunding issues will result in at least a 2% present value savings. If at the time of sale any one of the proposed refunding issues will not result in at least 2% present value savings that refunding will be excluded from the sale. Unless this Resolution is acted upon by the Council by April 24, 1991, the proposed action will stand approved.